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Excerpt from
17th Meeting of CIA Retirement Board
29 July 1965

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MR. ECHOLS: The next item I would like to bring up is the Employee Bulletin. I indicated last time we were having trouble breaking it loose and when we tried to break it loose we met an absolute stone wall. The primary objection was the paragraph 4. a., which says this:

"The National Security Act of 1947 provides the Director authority in his sole discretion to terminate the employment of any individual when in his judgment it is necessary or advisable in the interests of the United States to do so. This authority is applicable to all employees of the Agency. Thus, an individual's position with respect to termination of employment by decision of the Director is the same under both systems."

Now, there was no objection essentially to this wording as such, or even the thought, but there was strong objection to the psychological impact that it was believed this paragraph would have upon the employees of the Agency at large and particularly those who were going to be faced with the option of going under the system or not, or who would be put under this system. The Agency feels - topside, apparently, that we have worked very hard to develop a favorable retirement system for employees, something that people should - en masse - desire very much to have. They felt that if we start talking in the preliminary paragraphs about the improvements of this System over the normal retirement system, and the few employees who are deserving of this System -- they looked upon this paragraph as just cutting the ground out from underneath this thing and making it appear that really our motivation is not to give a better retirement system but to have a sugar coated separation system. And Bob Bannerman, specifically, had returned from an extensive field tour, and he talked to many, many hundreds of people about the retirement system, and he says that he encountered simply no significant fear of the system, except on the part of a few people who he thinks are just so inherently and so permanently fearful for their jobs that they would object to most anything that even mentioned the words involuntary separation.

So I was asked to see if we wouldn't agree to the deletion of this paragraph -- the text is unaffected thereby -- and that maybe the atmosphere has been changed by now -- we had been going through a period of ceiling reductions, etc. -- and perhaps this is no longer even necessary, and certainly up topside they don't think it's desirable.

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MR. [REDACTED]

Mr. Chairman, I haven't read the new

paragraph, but I'm rather surprised by the nature of your remarks, since it was my impression some three or four months ago, when we started addressing ourselves to this, that I was in the position of (upholding) a determined view of the management to preserve the impression that the Director would at least be more likely to exercise this right with respect to people under this System than he would under the Civil Service System, and that you yourself repeatedly emphasized that this had again and again been emphasized in presenting it to Congress - our need to thin out this group. My purpose in drafting this wording which was just read was to clarify for the employee that the authority of the Director to terminate employment was precisely the same for either group.

As to Mr. Bannerman's impression, after a long and intimate association with the attitude of our overseas personnel, hundreds of whom I have discussed this with, I simply don't agree with him. I found a great deal of cynicism among the employees as to what the real purpose of it was -- because indeed the very philosophy which you yourself expressed in the early weeks of our meetings here had gotten to the field, through all of the marvelous communication channels we have (laughing) -- and it's possible that as of today there has been an amelioration in this feeling, and, if so, I think it's because of the reassuring word that has seeped out from the progress that this group has made as we have evolved a way to implement this new policy, this new program.

MR. ECHOLS: I agree with you, Jim. I haven't fully stated the case -- there's more to the case than this. The possibility of involuntary retirement has deliberately been built into this Bill -- we know this as a fact -- for manpower control, as a tool to be used - as leverage, if nothing else -- it may not ever have to be used, per se, but it is there and it is leverage.

I believe this paragraph, however, because it says nobody in the Agency in fact has tenure and the Director does have authority to separate anyone, it seemed to put too much emphasis on the involuntary separation aspect. Actually that is hoped to be a minimal benefit or minimal aspect of this retirement system. So I think it was believed that the psychological impact of this statement, not only on people of the Agency as well,

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who might read this, would be an undesirable one in terms of employee morale. The major objection is to this (procedural) paragraph - paragraph 4.a. -- with the strong recommendation that it be deleted.

25X1A9a MR. [REDACTED] You will recall your original draft was (inaudible) and in re-drafting it I was simply attempting to soften it, and perhaps what you are now proposing--

MR. ECHOLS: The first draft we wrote up in terms of the temper of the times -- I think we did the exact same thing -- the exact same thing -- trying to minimize this impact. But it is viewed the other way.

25X1A9a MR. [REDACTED] Mr. Chairman, I think we touched on this just slightly last week, and I remember you circularized the table and when you came to me I made the statement that I felt that this was less and less an issue at Headquarters, because I felt that the Board and other people had gone out and done a good job of explaining that the whole retirement act was really a benefit and not a detriment to people, and that I felt that less and less this is a problem here but I didn't know the reaction of the people in the field -- this was how I concluded. Just yesterday a

25X1A6a boy came in to see me who said he had one problem on his mind -- he had just returned from [REDACTED] was here on home leave -- and he said they had not yet gotten the Bulletin or anything on this but that everyone he talked with [REDACTED] 25X1A6a was concerned about one thing only, and that is -- the very point that is being discussed here -- that the minute they are asked to opt and they opt for the program that 15 minutes later they may get kicked out. I then had to do the same type of job I think we have done as far as other people at Headquarters, to explain to him that this is really intended as a benefit to employees, that it was an honor to get into this System and that I wish I could get into it, and that, after all, if you realize the Director could do it under the old Act -- he had the right under the Act of 1947 -- that he had nothing more than he had before, no more rights today under this new one -- then he says, "Oh, I see the program now, and I'll take that word back with me."

MR. BOREL: I think it's reassuring -- I found it reassuring -- because

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(you would run) no risk that you didn't incur before. I would suggest you might want to change the last sentence to say: Thus, tenure is at the pleasure of the Director. Instead of using the word "termination" put it on the basis of tenure, and you get the same result but it's a little more positive--

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MR. [REDACTED] (Reading): "...termination of employment by decision of the Director is the same under both systems" -- that is a very important thought to retain in this paper -- because you do have the myth that has developed that there is a distinct increase in the vulnerability to involuntary separation.

MR. BOREL: You run a greater risk if you leave it out.

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MR. [REDACTED] It's funny, but I've had sort of the opposite experience.

I agree it's always the subject that comes up, and you have to explain, but - whether people are becoming more sophisticated or not - I find they reject this -- they say the words sound too good. The truth is there is very sparing use by the Director of this right, and it has always been for rather unusual cases. [REDACTED] was never really implemented, because it was without compassion and therefore it was self-limiting. Now you have got a Bill where you can do it in clear conscience because you are giving the man a nice retirement, and there will be many more under the new Bill than in the past. It's pretty hard to fight this argument when you get it -- I mean, the words sound good but beneath it they see there is a distinction. So I don't know how effective it really is.

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MR. [REDACTED] Emmett, this is a very candid question: Is this a new move to get this out of here so that by omission we later, if we do use involuntary retirement more actively in the career system, that the employee doesn't come back here and say -- in other words, is Bob motivated by the same interpretation which motivated the management of the Agency six months ago when they (bought) your original draft?

MR. ECHOLS: I believe the only objection to this paragraph is the belief that it is going to leave a bad taste in everybody's mouth and generate fears that didn't exist before.

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MR. [REDACTED] We have generated those by conversations that

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have been going on now for two years.

I personally think it would be a mistake not to cover this point in this Bulletin -- because if it is so widely discussed, as I believe it is -- and you have Mike's statement -- then I think if this is a point they have a question about they ought to refer it formally to the head of the Clandestine Services particularly, since it is, more than to any other element, a problem of attitude of a large number of his employees, as to whether this point should be left in or eliminated. My own belief is that you would do more damage by eliminating it than if you left it in. I think clarification of this point is highly desirable.

MR. ECHOLS: Is there any thought on anybody's part that perhaps by re-wording this particular paragraph -- we could speak more to tenure -- maybe in softer terms -- this is no different under this system than under the Civil Service system.

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I think that a lot of people are ready to enter the System but they haven't yet been approached to elect because there isn't enough explanatory material to give to them to take home and study. I think that the important thing now is to proceed to get something in the hands of our people which will answer most of their questions, if not all, and then these can be answered specifically and separately in other ways. I would favor not doing anything at this time that will further delay the issuance of this Bulletin -- even to the extent of deleting this this paragraph or something substantially the same. I personally would rather see the Bulletin get out promptly without the paragraph than held up another month or so while we attempt to work out a sugar coated or slightly different version of this paragraph that says the same thing.

MR. ECHOLS: I'd like to assure the Board, incidentally, on this point, that I have hammered on the fact that this Bulletin is not a regulation, this is not a formal handbook -- this is an information thing, and it doesn't have to be precise to the last "t", all-inclusive of every provision -- and I have certainly stressed the urgency and the need for this. But so far I've been stymied. But I appreciate your comment.

MR. BOREL: Mr. Chairman, I think it's important to get this out in a hurry. If you wanted to consider re-positioning it, it could be done by hanging on the word "involuntary" which appears as the second word at the top of page 3, as a footnote thing: As far as involuntary retirement is concerned the employee's rights are identical under both systems. This is in paragraph 4.d. This is precisely the point that is being addressed here. You could have the footnote in smaller print.

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MR. [REDACTED] I don't care whether it's at the top or the bottom, on the front or in the back, just so it's a part of the Bulletin.

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MR. [REDACTED] I agree with that. I don't believe it should be left out. I don't think the paper should be silent on it.

MR. ECHOLS: Okay, let me take one more crack at it, if I may. This has got to be published. I agree the DDP is the office of primary concern -- and Commo, too -- and if there is going to be a battle over this one it has to take place at the principal level.

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MR. [REDACTED] Mr. Chairman, just so we can be informed, what is the procedure in [REDACTED] connection with getting out a paper of this kind? To begin with, it was sitting somewhere while we were assured it was at the printer's, and suddenly we find that not from the Director or the Deputy Director do we get a comment, but coming directly from Support -- I mean, is he the reviewing authority for this Board?

MR. ECHOLS: I will speak to that, because I had a little discussion on this point, and I pointed out to Bob that this Board is not responsive to him, per se, and this is the recommendation of the Board that this be published. However, I have to acknowledge the rather amazing authentication and publication procedures of the CIA and the thousands of ways by which desired publications can and have been either sabotaged or withheld indefinitely from publication. There is nothing really very shocking about this -- these things have happened before many, many times -- and it's just one of the peculiarities of the Agency -- for reasons not known to me the DD/S has always been the custodian, if you will, or the issuance point of Agency publications. We can dispute this, but historically it's true. So, in this capacity, delaying tactics and pressures are being used, and we can just go back and fight these pressures, that's all.

MR. BOREL: Surface it and get it out.

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MR. [REDACTED] I'm deeply disturbed -- I had taken an entire Sunday, with a great sense of urgency, to work on the drafting of this, and that was now several months ago and literally nothing has happened.

MR. ECHOLS: Shall I express the displeasure of the Board?

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MR. [REDACTED] So move.

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MR. [REDACTED] Could I just ask one more question? Does

Mr. Bannerman look at every publication that goes out of here to decide whether the substance is in his opinion suitable?

MR. ECHOLS: He or his Staff does -- and I'm sure they bring to him or to Col. White, his predecessor, anything about which they have doubts.

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MR. [REDACTED] What was our decision just now?

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MR. ECHOLS: To express the displeasure of the Board.

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MR. [REDACTED] At what?

MR. ECHOLS: At the delay in the publication of this Bulletin.

MR. BOREL: And to get it out immediately.

MR. ECHOLS: With the urgent request that it be published immediately.

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MR. [REDACTED] And that in the view of the Board this point should remain somewhere in the document.

MR. ECHOLS: Right.

Now, the other area of contention pertained to paragraph 3. b. of the issuance, starting roughly at the point of the word "assuming", at the beginning of the second sentence:

"Assuming that the individual's career follows the normal course, he will remain in the CIA system until he has completed 15 years of service in the Agency. At the time of his 15th anniversary in the Agency the individual will be able to exercise a choice--provided that he has completed 5 years of qualifying service and renews his service obligations-- of either affirming his desire..." and so on.

It was pointed out that this is an incomplete exposition of the period from the time of being put into the System to the 15 year point. We, obviously, do have five and ten year reviews, and there is the 15th anniversary review. That has been left out of the text, and there is not anywhere in the statute or the regulation the specific requirement that the individual renew his service obligations -- rather, this review, if you will, is inherent in the Career Service reaffirmation that the individual remains in a qualifying field of service and meets the criteria for being a participant. So it's there in concept in our regulations, but there is no such specific. It was believed that this will confuse people: (a) by the omission of the five and ten year review they are not fully informed how this system works; and (b) that this specific requirement, although inherent in the review process is nowhere stated in the regulation, and can lead to challenge and to questions, and so on. So, on that premise I took the liberty of preparing a revised text here, which I would appreciate your looking at.

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MR. [REDACTED] Emmett, in drafting this "Assuming that the individual's career follows the normal course", my thought was this. This five and

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ten year review, which we're stuck with, came up as a problem in the theoretical examination of the whole procedure which we went through some months ago. At that time I expressed the view that when this becomes a reality and we start to (plan cases), that it is going to be unworkable. I still feel this. I acknowledge that I accepted the obligation to present some examples of this, but I set it aside because it isn't a problem we are dealing with right now -- we're all busy with the earlier phases of the implementation of this. And rather than confuse the individual at this point with the five and ten year review -- and this isn't a regulation, as you say (indicating Mr. Echols), or a law -- I felt that assuming a normal career -- because I think the normal career will indeed be one which could get by with this review procedure, because I think the normal individual will serve enough overseas in his early years so that somehow it will work out all right. But I think there is going to be a very high incidence of abnormality in these things, and we are going to run into real trouble, and that the five and ten year review put in here at this time would open up a whole new Pandora's box with employees starting to discuss what is the five and ten year review.

MR. ECHOLS: And yet this is in the regulation.

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MR. [REDACTED] Yes, but it isn't going to come up or become a factor for quite awhile -- and we are going to have a chance to examine it. So if it could be left out of this -- I think it's just something that would contribute to confusion -- and we have not really clarified it. Most of the issues that came up in the early weeks of the Board, in one way or another we have gone through an educational process by applying them to some cases and discussing them. This single aspect of the program - the five and ten year review - seems to me to be the one remaining fairly serious problem that lies ahead of us, and I would hope that before we get too far in explaining this to the employees that we very thoroughly go through a process of testing the reliability of the concept.

MR. ECHOLS: Well, it certainly will be, I would think, at least a year, and maybe several years, before we go back to Congress and say these provisions in our regulation have proven to be unworkable, unrealistic, and here is why - here is the proof. As a practical matter, Jim, I think we're stuck with this for at least a

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propose right now that we notify this individual at this time, to make sure it's in the record that he is told of this ultimate decision or choice that he will have, so that there is no error. I think we can tell him right now what the breaking point will be, in terms of years of service.

25X1A9a MR. [REDACTED] Are we also saying that a man can enjoy the intervening benefits, at death or otherwise, and at age 59 say, "I have enjoyed this for the last ten or twelve years, but I have now got just enough years that I am going to be better off under Civil Service, so I'll get out" -- then come age 60 he says, "Now I'm under Civil Service so I go to 62."

25X1A9a MR. [REDACTED] No, because at 60 he will have had 30 or more years' service.

25X1A9a MR. [REDACTED] So we're back to an Agency policy that he would have to get out at 60. In other words, the only time we would let him move out at say 59 would be if he had sufficient years to make him better off under the other system - therefore he would have over 30 years--

MR. ECHOLS: 36.9 years of service, or something like that. But we can figure out the approximate date, if not the exact date, and we can advise him at this time that he will have another choice later on, should this prove more beneficial for him.

I think it has been moved and seconded that we accept these six cases, with the stipulation that this period of domestic service for Mr. [REDACTED] be 25X1A9a recorded as not having been ruled upon in his determination.

. . . . This motion was then passed

MR. ECHOLS: We have already taken up two cases in Category E. The other two will have to be postponed to another meeting.

I have one other little piece of business here. Alan Warfield is a Board member, and he has told me he would like very much to remain on the Board, is interested in this program, however he tells me he has unavoidable conflicts

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on Thursdays from here on out -- he apparently serves on or is chairman of another committee concerning air proprietaries and so on, which meets every Thursday. He has asked if the Board would consider changing their meeting date to some other time, if possible. I don't know how possible it would be. Is there any other day that might be agreeable?

MR. BOREL: I think Fridays are to be avoided.

MR. ECHOLS: We all agree Fridays should be avoided at all costs.

MR. BOREL: How about Tuesday?

25X1A9a MR. [REDACTED] When does the Finance Committee meet?

MR. ECHOLS: I don't know.

25X1A9a MR. [REDACTED] I think that is Thursday afternoon.

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MR. [REDACTED] Tuesday is fine with me.

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MR. [REDACTED] Tuesday would be an improvement in my case,

because I have missed at least two, and I think three meetings, because it conflicts with the Special Group meetings. Tuesday would be much better. I have missed three [REDACTED] meetings because of the conflict on Thursdays.

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MR. [REDACTED] Could I confuse the issue a little bit by suggesting that we meet perhaps every two weeks for two hours, rather than every week? I'm just tossing this out -- because maybe we haven't reached the point in our proceedings where we can do that yet.

MR. ECHOLS: Certainly the last few meetings have been quite easy, and we could have handled lists of three times more names.

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MR. [REDACTED] That is what I thought. One longer meeting I think is always better than two short ones.

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MR. [REDACTED] I think it could to some extent be within your judgment.

If we didn't have the appeal cases and the Bulletin today we would have been through here in ten minutes. Let it accumulate a bit -- or if you think it's going to be a longer one you could have a special meeting.

MR. ECHOLS: Let's switch to Tuesdays, then, and let's try the 2nd and 4th Tuesdays in each month -- unless we have a compelling reason to meet more frequently. Is that agreeable with everybody? Same time, same place.

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And the week after next would be the first one.

Any other business? (no response.)

Thank you.

. . . . The meeting adjourned at 3:15 p.m.

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